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SOURCE Rabotnichesko Delo, 1950.

1950 BUDGET DRAFTED, PASSED

DISCUSSES DRAFT BUDGET -- Rabotnichesko Delo, No 41, 10 Feb 50

Karlo Lukanov, chairman of the State Planning Commission, discussed the Bulgarian national budget for 1950 before the People's Subranie, as follows:

The draft budget provides for revenues amounting to 106,218 million leva, or 52 percent of the total revenues, to come from economic enterprises.

The turnover tax will provide 64,491 million leva of revenue. Of this sum 90 percent will come from state enterprises, whether administered by the central government or by local People's Councils; 8 percent from cooperative organizations, and only 2 percent from the private sector.

The revenue section of the budget provides for 25,576 million leva of profits taxes from state enterprises. Of this sum 26 percent is expected to come from enterprises under the Ministry of Industry, 23 percent from those of the Ministry of Internal Trade, 14 percent from those of the Ministry of Foreign Trade, 7 percent from those of the Ministry of Forests, 6 percent from those of the Ministry of Transportation, and 3 percent from those of the Ministry of Mines.

In 1950, every state enterprise must operate at a profit. As self-sufficiency in production is lowered, the profits of the enterprises will rise, and so will the revenue from the profits tax, which in turn will permit expansion of production and an improvement in the cultural level and living standard of the workers.

The 1950 plan calls for an increase of 17.6 percent in goods turnover as compared with 1949.

The total allocation for capital investment will be 68.5 billion leva.

The Ministry of Mines and Underground Resources will begin the exploitation of projects valued at over 4 billion leva.

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About 9 billion leva have been allocated to the Ministry of Electrification and Reclamation for the construction of electric power plants. In 1950, power plants with a total capacity of 23,770 kilowatts will be completed and put into operation. Other power plants totaling 12,600 kilowatts will be completed by the end of 1950 and put into operation during 1951. The high-tension transmission lines to be completed in 1950 include the Cherven Bryag-Pleven line, which will supply electric power to the Pleven district, now suffering for lack of power. The new power plants will produce a total of 28 million kilowatts this year. A hundred new villages will be electrified, bringing the total of electrified villages to 2,079.

As the result of drainage and irrigation projects in certain lowlands along the Danube, 1,700,000 decares more will be added to the area of irrigated farmland in Bulgaria in 1950. This year also, a total of one million decares will be prepared for irrigation in 1951.

During 1950 the Ministry of Industry will complete 286 construction projects, with a total value of 6,894 million leva.

The production of steam boilers, iron castings, and farm machinery will be expanded as the result of the purchase of one billion leva worth of machinery; and 902 million leva will be spent on new construction to facilitate the production of building materials. A sum of 374 million leva has been allocated to the porcelain and pottery industry, 297 million to the rubber and shoe industry, 186 million to the leather and fur industry, and 754 million to the food-processing industry.

The capital investment allocated to the Ministry of Agriculture will be spent as follows: 23.7 percent for the construction of machine-tractor stations, 15.1 percent for state farms, and 47.8 percent for farm work cooperatives. Mechanical equipment worth 1.9 billion leva will be furnished to the farms. This sum represents 35.8 percent of the total capital investment allocated to the Ministry of Agriculture. The other 64.2 percent, or 3,390 million leva, will be spent for the construction of revenue-producing buildings. There are to be 95 machine-tractor stations.

The investment planned for transportation will result in a 14-percent increase in freight traffic as compared with 1949.

UNANIMOUSLY PASS 1950 BUDGET -- Rabotnichesko Delo, No 49, 18 Feb 50

On February 16 the People's Subranie unanimously passed the budget of the Bulgarian People's Republic for 1950.

The main source of revenue of the new budget is derived from economic enterprises run by the state and the people's soviets and totals 94 billion leva, or 55 percent of all revenues. Taxes provide 9 percent of the revenues and are based on a progressive scale, relieving the financial burden of the lower income classes.

A total of 132 billion leva or 65 percent of all expenditures, will be assigned for financing economic enterprises and various social and educational measures. An important part of this amount will be allocated to capital investments and used for the construction of new plants, factories, dams, power stations, railroad lines, etc. Whereas the 1948 budget provided only 25,612,000,000 leva for capital construction, and the 1949 budget 41,021,000, the 1950 budget allocates over 49 billion leva for these expenditures. About 20 million leva will be allocated to electrification and reclamation projects, and will be used mainly for capital investments and subsidizing the power industry. Over 7 billion leva will be allocated to construction and industry, with emphasis on heavy-industry projects; over 3,300,000,000 will go to agriculture and over 4,200,000,000 to roads and construction.

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Approximately 24 percent of all budget credits will be assigned for social and educational purposes. On the other hand, there will be no increase over last year's budget in expenditures for national defense.

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